



## **COMMUNITY DEVELOPMENT COMMISSION**

### **County of Los Angeles**

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**Gloria Molina**  
**Yvonne Brathwaite Burke**  
**Zev Yaroslavsky**  
**Don Knabe**  
**Michael D. Antonovich**  
*Commissioners*

**Carlos Jackson**  
*Executive Director*

July 15, 2003

Honorable Board of Commissioners  
Community Development Commission  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Commissioners:

**AGREEMENT TO NEGOTIATE EXCLUSIVELY TO DEVELOP  
COMMERCIAL AND RESIDENTIAL DEVELOPMENT IN  
WEST ALTADENA COMMUNITY REDEVELOPMENT PROJECT (5)  
(3 Vote)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve the 180-day Agreement to Negotiate Exclusively with Lincoln Avenue Redevelopment, a Limited Liability Corporation (LLC), (the "Developer") presented in substantially final form, to negotiate a Disposition and Development Agreement (DDA) for the Lincoln Avenue Development Project, a 22.6 acre commercial and residential development to be located on the east and west sides of Lincoln Avenue between Woodbury Road and Figueroa Street, and the west side of North Olive Avenue between Crosby and Figueroa Streets, in the West Altadena Community Redevelopment Project (WACRP) area.
2. Authorize the Executive Director of the Community Development Commission to execute the Agreement, to be



effective following approval as to form by County Counsel and execution by all parties.

3. Authorize the Executive Director to amend the Agreement to extend the negotiation period for an additional 180 days, following approval as to form by County Counsel.

**PURPOSE/JUSTIFICATION OF THE RECOMMENDED ACTION:**

The purpose of this action is to permit the Commission and the Developer to exclusively negotiate a DDA to construct a commercial and residential development in the WACRP area.

**FISCAL IMPACT/FINANCING:**

There is no impact on the County general fund.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS:**

On August 12, 1986, the Board of Supervisors adopted the Redevelopment Plan for the WACRP. The Redevelopment Plan calls for planned orderly growth of the WACRP, including: removal of slum and blight; redevelopment and rehabilitation of existing lots and structures; development of commercial/retail space and business parks; and development of affordable housing in designated areas.

In July and August 2001, the Commission convened town hall meetings to receive community input on future development of the WACRP. In May 2002, pursuant to the community's wishes to develop a supermarket and quality retail and office space along the Lincoln Avenue Commercial Corridor, the Commission issued a Request for Proposals (RFP). On August 2, 2002, eight proposals were received. All developers were invited to present their proposals at two community meetings held in December 2002.

On January 13, 2003, based on evaluation of the proposals and the presentations, the West Altadena Project Area Committee (WAPAC) selected three finalists. The finalists were given the opportunity to revise their proposals before the final presentations. One proposal was withdrawn. On February 5, 2003, two finalists submitted their proposals to the Commission and were subsequently provided to the WAPAC and the community on February 14, 2003.

On February 24, 2003, the WAPAC rated the proposals based on experience, qualifications, financial capability, conformance with redevelopment goals and County codes, and conformance with the town hall visioning process. The WAPAC recommended the Developer's proposal based on its strong compatibility with the visioning process, past experience and ability to bring a supermarket to the area.

The proposed Agreement to Negotiate Exclusively will enable the Developer and the Commission to negotiate a DDA for development of a 22.6 acre commercial and residential project within the WACRP. Discussions will include components of the five-phase development, including: a supermarket, retail and office space; approximately 97 units of affordable for sale housing; a theater, service station/car wash and restaurants; and rehabilitation of existing commercial and residential buildings. Following negotiations, the DDA will be presented to your Board for approval.

A map of the proposed new development, and the 80-acre WACRP, are provided as Attachments A and B.

The Agreement to Negotiate Exclusively will be effective following approval as to form by County Counsel and executed by all parties.

**IMPACT ON CURRENT PROJECT:**

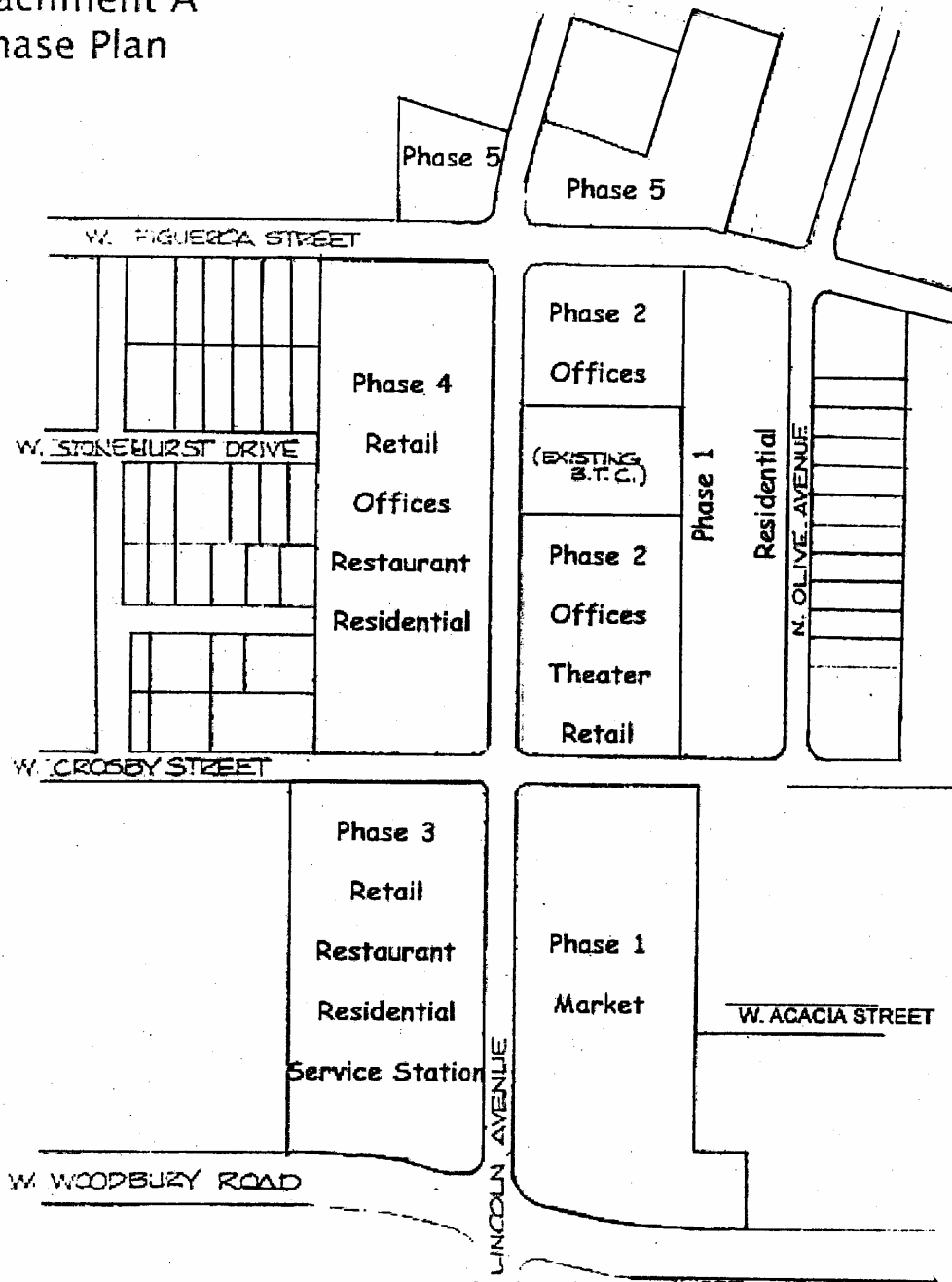
The proposed Agreement to Negotiate Exclusively will further the goals of the WACRP Redevelopment Plan by eliminating blighting influences, encouraging diversification of the local commercial base, increasing employment opportunities, and providing opportunities for commercial businesses to locate their operations in the WACRP area.

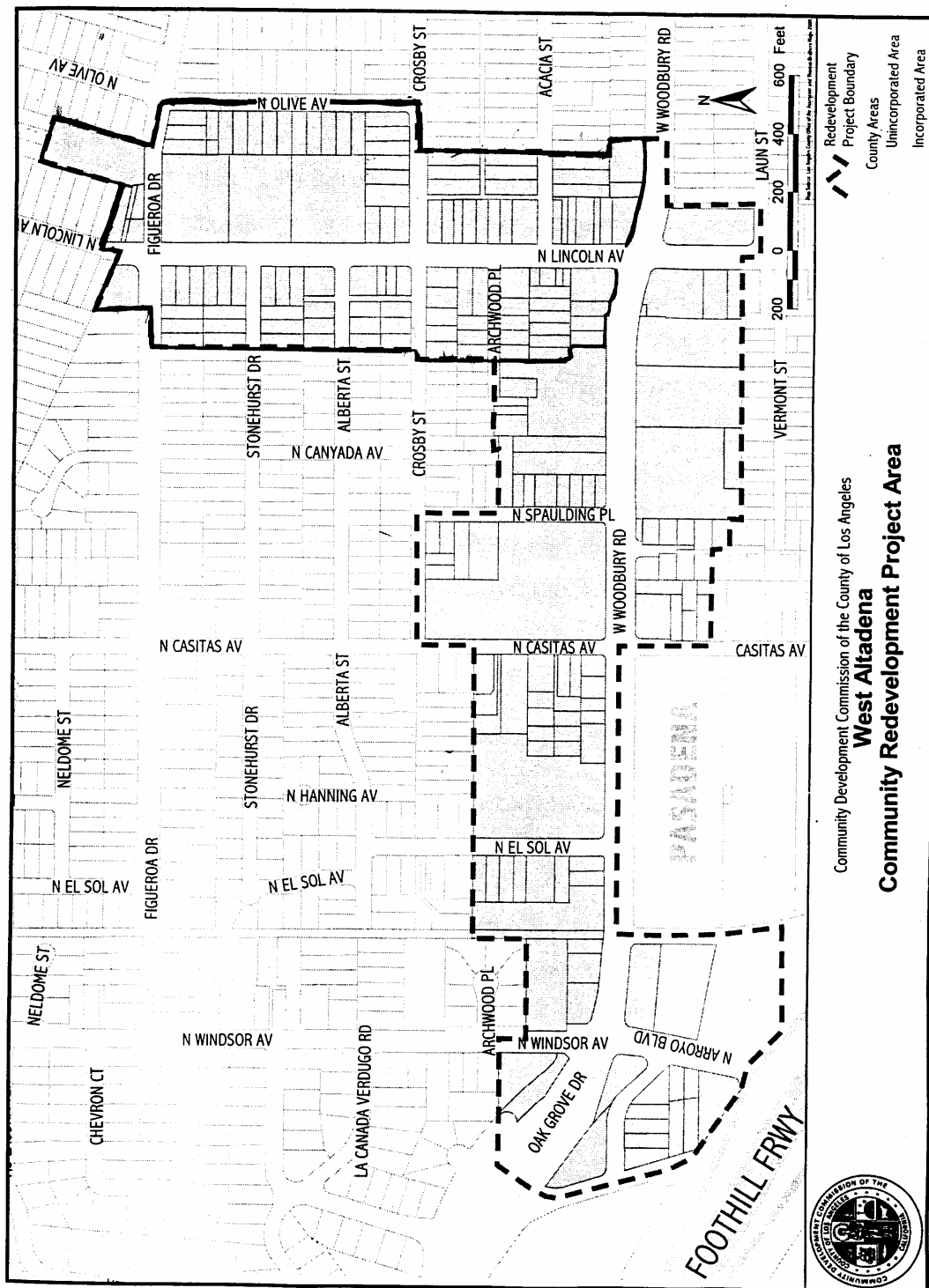
Respectfully submitted,

CARLOS JACKSON  
Executive Director

Attachments: 3

# Attachment A Phase Plan





**AGREEMENT TO NEGOTIATE EXCLUSIVELY**

**by and between**

**COMMUNITY DEVELOPMENT COMMISSION**

**OF THE COUNTY OF LOS ANGELES**

**and**

**LINCOLN AVENUE REDEVELOPMENT (LLC)**

**WEST ALTADENA COMMUNITY REDEVELOPMENT PROJECT  
LINCOLN AVENUE DEVELOPMENT PROJECT  
AGREEMENT TO NEGOTIATE EXCLUSIVELY**

THIS AGREEMENT TO NEGOTIATE EXCLUSIVELY (the "Agreement") is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2003, by and between the COMMUNITY DEVELOPMENT COMMISSION OF THE COUNTY OF LOS ANGELES, a public body, corporate and politic (the "Commission"), and LINCOLN AVENUE REDEVELOPMENT, Limited Liability Corporation (LLC) (the "Developer") on the terms and conditions set forth below.

THE COMMISSION AND THE DEVELOPER HEREBY AGREE AS FOLLOWS:

[100] Duration of this Agreement

The duration of this Agreement shall be for a period of one hundred and eighty (180) days from the date of execution of this Agreement by the Commission plus any extensions mutually agreed to by the Executive Director of the Commission and the Developer ("Negotiation Period"). If upon expiration of the Negotiation Period, the Developer has not signed and submitted a Disposition and Development Agreement (DDA) satisfactory to the Commission, then this Agreement shall automatically terminate. The Board of Commissioners has authorized the Executive Director of the Commission to extend this Agreement for an additional 180 days.

[101] Deposit

Prior to the execution of this Agreement by the Commission, the Developer shall submit to the Commission a good faith deposit (the "Deposit") in the amount of TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00). The Deposit shall be in the form of cash or an irrevocable letter of credit that is satisfactory to the Commission to ensure that the Developer will proceed diligently and in good faith to negotiate and perform all of the Developer's obligations under this Agreement.

If the Deposit is paid in cash, the Commission shall deposit it in an interest-bearing account and such interest, when received by the Commission, shall become part of the Deposit. If the Deposit is in the form of an irrevocable letter of credit, the Developer shall maintain such letter of credit in full force and effect for the entire Negotiation Period hereunder, and, if applicable, during any extension period of this Agreement.

[200] Negotiations

[201] Good Faith Negotiations

The Commission and the Developer agree during the Negotiation Period set forth below to negotiate diligently and in good faith to prepare the DDA for execution by the Developer and for submission and approval by the Board of Commissioners, in the manner set forth herein with respect to the development as referenced in Section 301 hereof (the "Development") of certain real property (the "Site") located within the boundaries of the West Altadena Community Redevelopment Project Area (the "Project Area"). The

Commission agrees, for the Negotiation Period, not to negotiate with any other person or entity regarding development or transfer of the Site.

In the event at any time during the Negotiation Period the Developer does not negotiate diligently and in good faith as determined by Commission in its reasonable discretion, the Commission shall give written notice thereof to the Developer who shall then have twenty (20) business days to negotiate in good faith to the satisfaction of the Commission. Following the receipt of such notice and the failure of the Developer to thereafter negotiate in good faith within said twenty (20) business days, this Agreement may be terminated upon written notice by the Commission. In the event of such termination by the Commission, the Commission shall retain the Deposit and any interest earned thereon.

Except as provided in the preceding paragraph, upon termination of this Agreement on or before the expiration of the Negotiation Period (which may include any authorized extension of the original 180 day period), neither party shall have any further rights against or liability to the other under this Agreement.

If a DDA is approved and executed by the Commission and the Developer, the DDA shall thereafter govern the rights and obligations of the parties with respect to the Development and shall supersede this Agreement.

[202] Redevelopment Plan

This Agreement and the DDA are subject to the provisions of the Redevelopment Plan for the Project Area that was approved and adopted by the Board of Supervisors of the County of Los Angeles by Ordinance No. 86-0136 on August 12, 1986, as amended by Ordinance No. 98-0044 approved and adopted by the Board of Supervisors of the County of Los Angeles on August 11, 1998.

[300] Development Concept

[301] Scope of Development

The negotiations between the Developer and Commission shall be for the construction of the Development that was proposed by the Developer entitled "A Revitalized Community" (the "Developer Proposal"), and that was approved by the West Altadena Project Area Committee (WPAC) at their February 24, 2003 meeting. The Developer Proposal is incorporated into this Agreement by reference, as though fully set forth herein.

[400] Purchase Price and/or Other Consideration

The purchase price for properties within the Site to be paid to the Commission by the Developer, and/or other consideration to be paid to the Commission by the Developer under the DDA, will be as stated in the DDA approved by the Board of Commissioners after a noticed public hearing, as required by law.

[500] The Developer



[501] Nature of the Developer

The Developer is Lincoln Avenue Redevelopment, LLC between Northwest Pasadena Development Corporation and West Altadena Development Corporation.

[502] Office of the Developer

The principal office of the Developer is:  
Northwest Pasadena Development Corporation  
151 E. Orange Grove Boulevard  
Pasadena, CA 91103  
ATTENTION: Harold James, President

Harold James is the Participant's authorized representative to administer and implement this Agreement.

[503] Full Disclosure

The Developer shall make full disclosure to the Commission of its principals, major stockholders, major partners, joint venture partners, key managerial employees, other associates (collectively, the "principals"), and all other material information concerning the development, including education, experience, and qualifications, of Developer and its principals whose identities, development experience, and qualifications are of great importance to the Commission and the basis for the Commission to enter into this Agreement.

Any change of the principals of the Developer must be approved by the Commission in its sole discretion.

[600] The Developer Financial Capacity

[601] Financial Ability

Prior to approval and execution of the DDA by the Developer and the Commission, the Developer shall submit to the Commission satisfactory evidence of its ability to finance the construction of the commercial/office improvements in the Phase I of the development project.

[700] Developer Pre-development Activities

[701] Public Participation

During the Negotiation Period, the Commission may hold public meetings to obtain community comment on the Development. As requested by the Commission, the Developer shall attend such public meetings and be prepared to report on the status of the Development and respond to questions and comments by the community and the WAPAC.

[702] Developer's Findings, Determinations, Studies and Reports

Upon reasonable notice, as requested by the Commission in its sole discretion, the Developer shall provide written progress reports to the Commission on any matters, including plans and studies related to the Development.

[800] The Commission

[801] Office of the Commission

The principal office of the Commission is:  
Community Development Commission  
County of Los Angeles  
2 Coral Circle  
Monterey Park, CA 91755  
ATTENTION: Corde Carrillo, Director  
Economic/Redevelopment Division

The Director of the Economic/Redevelopment Division is the Commission's authorized representative to administer and implement this Agreement, subject to any appropriate approvals of the Executive Director and Board of Commissioners.

[900] Commission Activities

[901] Commission Assistance and Cooperation

The Commission shall assist and cooperate with the Developer in the development of the Site as the Commission determines in its sole discretion.

[902] Public Hearing

Any DDA hereunder shall become effective only after approval by the Developer and the Board of Commissioners after a noticed public hearing called for such purpose as required by law.

[1000] Limitations of this Agreement

This Agreement does not constitute a commitment of any kind by the Commission regarding the sale or transfer of all or any part of the Site. Execution of this Agreement by the Commission is merely an agreement to enter into a period of exclusive negotiations according to the terms hereof, reserving final discretion and approval by the Board of Commissioners as to any DDA and all proceedings and decisions in connection therewith.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date set below their signatures. The effective date of this Agreement shall be the later date of the execution of this Agreement by the Developer or the Executive Director of the Commission.

LINCOLN AVENUE  
REDEVELOPMENT, LLC

COMMUNITY DEVELOPMENT  
COMMISSION OF THE COUNTY  
OF LOS ANGELES

BY: \_\_\_\_\_

BY: \_\_\_\_\_  
Carlos Jackson, Executive Director

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

BY: \_\_\_\_\_

APPROVED AS TO PROGRAM:  
COMMUNITY DEVELOPMENT COMMISSION  
OF THE COUNTY OF LOS ANGELES

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

BY: \_\_\_\_\_  
Corde Carrillo, Director  
Economic/ Redevelopment Division

DATE: \_\_\_\_\_

APPROVED AS TO FORM:  
LLOYD W. PELLMAN  
County Counsel

BY: \_\_\_\_\_  
Deputy

DATE: \_\_\_\_\_